ALS / Transport Contract

1. Up front payment – Put into trust with constraints and parameters for when the city could draw down on fund. Amount would be annual operating costs, because initial capital would be paid for in first year. This may be handled through bond rather than cash.
2. Additional expenditure increases per City (vs. preliminary Consultant report): Insurance $250,000, Communications $80,000 (position), Audit $25,000, Senior Pay for Paramedics $150,000 to $300,000 (or more), Recruitment $0. Total increase could be as much as $630,000.
3. Vehicle Ownership – The consultant's report showed capital paid over the first 2 years at $1.150 million per year. This was done to try and keep level payments over the first five years. To address the additional expenditures identified in #2 the debt would be financed over 5 years ($2.3 @ 3.5% for 5 years = $509k). The county would provide full amount for vehicles in the first year ($2.3 million). The city would own and there would be a provision to turn over to the county should the city no longer provide this service.
4. The additional expenditures identified in #2 above and the financing outlined in #3 make the third year subsidy close to or over the 0.5 mill cap depending on ad valorem growth.
5. The budget process would be as follows: city submits budget on April 1; county approves on June 1. There would be an annual true-up done on November 30. Salaries and capital would be agreed to in the budget, so there would be no true-up on these line items. Automatic reopeners would be for fuel costs, medical technology requirements, federal and state requirements. All other line items (including O.T.) would be eligible for true-up – anything greater than 2 or 3% would have to be justified. Quarterly budget to actual reports would indicate any problem areas and discussion would begin on cause and solutions.
6. Based on #5, the County should evaluate establishing a budgeted reserve to address potential mid-year cost increases and true-ups.
7. Surpluses would be split – 50% to rate stabilization; 25% bonus to employees; 25% to city for labor rate stabilization.
8. Need to tie down when response time penalties kick in – 12 months or 25 months. Seems to be conflicting language in report.